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FM AMEMBASSY TOKYO
TO RUEHC/SECSTATE WASHDC 8852
INFO RUEHBJ/AMEMBASSY BEIJING 5087
RUEHLM/AMEMBASSY COLOMBO 0627
RUEHKA/AMEMBASSY DHAKA 0647
RUEHIL/AMEMBASSY ISLAMABAD 1931
RUEHKT/AMEMBASSY KATHMANDU 0558
RUEHNE/AMEMBASSY NEW DELHI 8202
RUEHFR/AMEMBASSY PARIS 5150
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RUEHFK/AMCONSUL FUKUOKA 9067
RUEHNAG/AMCONSUL NAGOYA 8631
RUEHNH/AMCONSUL NAHA 1553
RUEHOK/AMCONSUL OSAKA KOBE 2497
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UNCLAS SECTION 01 OF 02 TOKYO 006839

SIPDIS

SENSITIVE
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AID FOR AID/PPC/MENARCHIK AND AID/ANE/WARD
PARIS FOR USOECD

E.O. 12958: N/A

TAGS: [EAID](#) [ECON](#) [JA](#) [PGOV](#) [IN](#)

SUBJECT: LDP INTEREST IN AID TO INDIA SURPRISINGLY HIGH,
SAYS ACADEMIC

REF: A. TOKYO 5574

[1](#)B. TOKYO 6271

Summary

[1](#)1. (SBU) After a recent lecture on trends in Overseas Development Assistance (ODA), Liberal Democratic Party (LDP) lawmakers peppered Takushoku University President Toshio Watanabe with questions about how to use aid to turn India into a counterweight to China, Watanabe told Econoff in a November 28 meeting. Watanabe said the level of interest caught him by surprise given ODA's limited domestic constituency; he attributed the change to China's continuing rise and increased worries about North Korea. He also indicated that reform to the GOJ's ODA structure have "paused" pending decisions on new structures from PM Abe. Biographical notes on Watanabe, an advisor on ODA to the foreign minister, follow. End summary.

LDP Interest in ODA, India, and China

[1](#)2. (SBU) Members of a Liberal Democratic Party committee on ODA are showing surprisingly high interest in Japan and India's aid relationship, Takushoku University President Toshio Watanabe told Econoff November 28. Watanabe, who sits on a committee that advises Foreign Minister Taro Aso on development aid affairs and ODA restructuring, lectured to the LDP group during the week of November 20.

[1](#)3. (SBU) Japanese politicians have traditionally had little interest in ODA as an issue because it does not resonate with the average voter, according to Watanabe. That lack of a domestic constituency, combined with a multi-year trend of declining support for ODA among the public, is why he counts only three LDP politicians among those who have made ODA one of their special interests.

[1](#)4. (SBU) Watanabe stated that he was therefore surprised when, at the end of his 40-minute lecture, he was peppered with questions about Japan's aid relationship with India. Specifically, he said, lawmakers stated that Japan "must find

a way to cooperate with India" and asked him how aid could be used in the effort to turn India into a counterweight to China. Watanabe speculated that China's continued rise, along with recent events in North Korea, were behind the increased interest in relations with India. (Comment: It is worth noting that Watanabe did not list India's status as the largest bilateral recipient of Japanese foreign aid since 2003 -- this year consisting of about \$1.3 billion in soft loans -- as a reason, nor has that apparently been sufficient for the lawmakers to show this level of interest in the past. See ref A for more detail.)

Pause in ODA Re-Structuring with Government Change

¶5. (SBU) With the regard to the aid restructuring effort occurring in the GOJ (ref B), Watanabe stated that the changes started during the Koizumi administration have "paused" since Shinzo Abe became prime minister, pending some decisions by PM Abe. He identified internal disagreements over the creation of a new ODA advisory panel (primarily over whether the group would report to the ministerial-level coordinating council or sit in the Ministry of Foreign Affairs' new International Cooperation Bureau) as the root of the problem. He downplayed the importance of the disagreements, however, stating he believed they would be resolved in the near future.

Biographical Notes

¶6. (SBU) Watanabe is President of Takushoku University and an academic expert on Japanese ODA. He has participated for the past three to four years on a committee advising the foreign minister on restructuring Japanese ODA and serves as the committee's chairman in the foreign minister's absence.

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He described many of the current changes in Japanese ODA structure as initiatives he has been advocating for years. Open and engaging, he is originally from Yamanashi prefecture. He has travelled to the United States, but stated that his generation (he was born in 1939) did not have the opportunity the current generation does to study in America. He looks young for his age, dresses casually, and does not appear protocol conscious. He keeps English language materials in his office and uses English words liberally, but preferred to conduct this meeting in Japanese.

SCHIEFFER